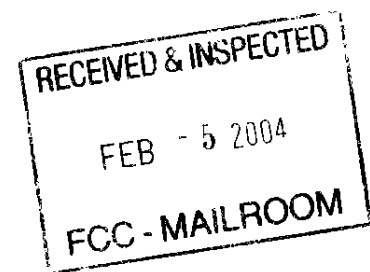


DOCKET FILE COPY ORIGINAL



FAX TRANSMISSION  
SACRED HEART SCHOOL  
250 High Street  
Mount Holly, NJ 08060

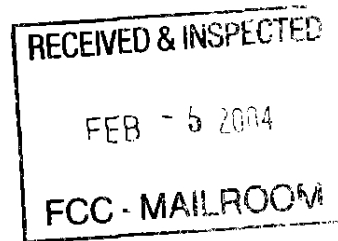
To Federal Communications Commission  
From Sacred Heart School  
Ronald J. Maniglia, Principal (Contact Person)  
609-267-1728 (voice)  
609-267-4476 (fax)  
questions@sacred-heart-school.org (e-mail)  
Date 02-05-2004  
Re CC Docket No 02-6  
Request for Review



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Please see attached pages.

No of Copies rec'd \_\_\_\_\_  
List ABCDE \_\_\_\_\_

**CC Docket No. 02-6  
Request for Review**

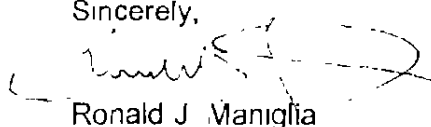
Sacred Heart School in Mount Holly, New Jersey (Billed Entity 8642) is seeking a request for review of the appeal of the decision rendered by the SLD Administrator on December 11, 2003 regarding FRN#932304 listed on Form 471 #346248

The SLD denied funding claiming that the contracted we entered into with Voicenet, which provides internet connectivity for the school, was signed outside the allowable date for the Form 470 cited in our application. Voicenet subcontracts with Verizon-NJ for the local loop of the T1 connection to the school. As explained in the attached letter from the legal counsel for Voicenet, the original contract with Voicenet, was "cancelled" for record-keeping purposes only insofar as the change made in the existing services was that of the bandwidth of the T1 connection to the school. Funding had been previously approved and provided through the SLD under this existing contract for prior years.

We explained this matter to the SLD representative who led us to believe that this would not cause a rejection of our funding. Although a new contract required due to the change in bandwidth was signed outside of the allowable date, the existing contract remains in force in terms of the services being provided to the school. Had we not included a copy of this new contract for clarification, there would have been no denial of the funding for these services.

We would appreciate your review of this matter as we contend that we acted in good faith in seeking the most cost effective solution

Sincerely,



Ronald J. Maniglia  
Principal

February 4, 2004

Re Sacred Heart School  
250 High Street  
Mt Holly, NJ

To Whom It May Concern

A new contract was signed on July 22, 2002 between Voicenet (vendor) and Sacred Heart School (customer) due to a change in bandwidth recommended by Voicenet and accepted by the customer to accommodate the increased use of their current T1 services. The new contract was required by Voicenet for bookkeeping purposes only. The original contract signed by the customer on July 1, 2000 is not set to expire until 2005. Although the new Voicenet contract contained a statement to the effect that the "original contract was canceled upon execution of the new contract", the issuance of the new contract was needed due to a change in the bandwidth of the T1 connection. The T-1 circuit remains the same and has not changed. The extension in the "new" contract is effectively an "overlap" with the previous binding contract. There was no change in service simply a change in the transmission rate of the current services.

Voicenet Communications, Inc



Kenneth Giannantonio  
General Counsel

• http://www.voicenet.com •  
• fax 215 674 9662  
• 800 835 5710 •  
• 215 674 9290 •  
A 18974 •



**Universal Service Administrative Company**  
Schools & Libraries Division

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**Administrator's Decision on Appeal - Funding Year 2003-2004**

December 11, 2003

Ronald J. Maniglia  
Sacred Heart School  
250 High Street  
Mount Holly, NJ 08060

Re      Billed Entity Number                      8642  
         471 Application Number:                346248  
         Funding Request Number(s):        932304  
         Your Correspondence Dated:        May 5, 2003

After thorough review and investigation of all relevant facts, the Schools and Libraries Division ("SLD") of the Universal Service Administrative Company ("USAC") has made its decision in regard to your appeal of SLD's Year 2003 Funding Commitment Decision for the Application Number indicated above. This letter explains the basis of SLD's decision. The date of this letter begins the 60-day time period for appealing this decision to the Federal Communications Commission ("FCC"). If your letter of appeal included more than one Application Number, please note that for each application for which an appeal is submitted, a separate letter is sent.

Funding Request Number:            932304  
Decision on Appeal                    **Denied in full**  
Explanation

- In your letter of appeal, you state that your submission of the Form 471 application contained a notation explaining that a copy of the contract enclosed was required by the vendor due to a change in bandwidth. A three-year extension to the original contract still in force was included in this document. In response to an inquiry from an SLD representative, you were asked to file an e-mail referencing the original Form 470 under which the Voicenet contract was made. You were assured by the SLD representative that this would not adversely affect your application and you are requesting a review of this matter.
- Upon review of this appeal, it has been determined that you signed a new contract with Verizon on July 22, 2002 and cited Form 470 #232130000417310, with an allowable contract date of October 29, 2002 on the original Form 471 submission.

In a facsimile dated February 7, 2003, Program Integrity Assurance advised you that the signing of a contract prior to the allowable contract date on the Form 470 is a violation of program rules. You were asked if the contract award date was correct and if the cited Form 470 was the establishing 470. In response, you indicated that the contract is an extension of a previous contract and a new contract was issued to accommodate an upgrade in service. You also confirmed that the contract award date of 7/22/02 was correct and that the establishing Form 470-application number is 786180000179261. Form 470 786180000179261 has Item 10 checked, indicating that you were seeking support only for services provided pursuant to existing, binding contracts, therefore, SLD did not post your request for services to SLD's website. The contract submitted by you clearly states that the original contract will be cancelled upon execution of the new contract. The contract for which you seek support, however, do not meet either of the limited exceptions for existing, binding contracts permitted by the schools and libraries support mechanism. You are seeking support for contract entered into in 7/22/2002. Consequently, SLD denies your appeal because your application did not comply with the competitive bidding requirement that your Form 470 be posted on the website for 28 days prior to your signing/renewing a contract for services or entering into an agreement for new services.

- You signed contract/made arrangements for new services prior to the expiration of the 28-day posting period. FCC rules require that except under limited circumstances, all Forms 470 received be posted on the website for 28 days, and that applicants carefully consider all bids received before selecting a vendor, entering into an agreement or signing a contract, and signing and submitting a Form 471. See 47 C.F.R. §§ 54.504; 54.511(a), (c). FCC rules further require that the Administrator send the applicant a confirmation when the Form 470 has been posted, and inform the applicant of the date after which the applicant may sign a contract with the vendor it selects. See 47 C.F.R. § 54.504(b)(4). These competitive bidding requirements help ensure that applicants receive the lowest pre-discount price from vendors. See *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Order on Reconsideration, 12 FCC Rcd 10095, 10098 ¶ 9 (1997). New services include tariff telecommunications services that are NOT subject to an existing, binding, written contract. Consequently, SLD denies your appeal because your application did not comply with the competitive bidding requirement that your Form 470 be posted on the website for 28 days prior to your signing a contract for services or entering into an agreement for new services.

If you believe there is a basis for further examination of your application, you may file an appeal with the Federal Communications Commission (FCC). You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. Your appeal must be POSTMARKED within 60 days of the above date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12<sup>th</sup>

Street SW, Washington, DC 20554. Further information and options for filing an appeal directly with the FCC can be found in the "Appeals Procedure" posted in the Reference Area of the SLD web site or by contacting the Client Service Bureau. We strongly recommend that you use either the e-mail or fax filing options.

We thank you for your continued support, patience, and cooperation during the appeal process

Schools and Libraries Division  
Universal Service Administrative Company